

# MODERN SLAVERY AND HUMAN TRAFFICKING ANNUAL STATEMENT FOR THE 2019 FINANCIAL YEAR

Published November 2020



This Modern Slavery and Human Trafficking Annual Statement is produced by UCC Coffee UK Ltd in accordance with Section 54 of the Modern Slavery Act 2015. The Statement outlines the steps we have taken to mitigate modern slavery and human trafficking risks in our business operations and supply chains during the year ending 31 December 2019. Publication of this statement has been delayed due to the impact of the coronavirus (COVID-19) pandemic on individuals and departments key to the development of the statement.

## 1. Our organisation and supply chains

### Our organisation

UCC Coffee UK Ltd is the leading Total Coffee Solution provider within the UK retail, hospitality and foodservice markets. We employ over 500 members of staff to create and manage coffee experiences tailored to customers' needs, including own branded and bespoke private label coffee blends; supply and service of professional coffee machines, beverage equipment and ancillary products; and provision of customer training and market insight support. More information about our business can be found at [www.ucc-coffee.co.uk](http://www.ucc-coffee.co.uk).

UCC Coffee UK Ltd is a registered operating business of UCC Europe Ltd, a leading private label coffee business with operations in France, the Netherlands, Spain and Switzerland. Operating within a European Group enables UCC Coffee UK Ltd to leverage expertise, innovation and experience of coffee to deliver market leading products and services.

### Our supply chains

UCC Coffee UK Ltd take pride in delivering our industry leading Total Coffee Solution and this is supported by a diverse number of supply chains which vary in terms of products, geographies, spend and the level of influence we have upon them. Our supply chain and procurement activities fall mainly into the following areas:

- Sourcing raw 'green' coffee from approximately 15 producing origins across Central and South America, Asia and Africa, via our European coffee procurement centre in Switzerland (UCC Coffee Services Switzerland).
- Purchasing of packaging materials, and other factory related ingredients, goods and services (including utilities) essential to the manufacture and distribution of our product range.
- Procuring, distributing and servicing professional coffee machines and beverage equipment, including associated spare parts and ancillary products such as machine cleaning products.
- Indirect procurement of goods and services. Examples include legal and professional services, vehicle lease contracts, facilities management services, and finished products and consumables to support our Total Coffee Solution.

## 2. Our commitment

UCC Coffee UK Ltd respects the basic and fundamental human rights of all individuals and does not condone any form of modern slavery, human trafficking or exploitation within its business and supply chains. This commitment is expressed through a variety of policies, controls and practices which are produced and implemented by UCC Coffee UK Ltd and UCC Europe Ltd.

We also recognise that modern slavery is a global issue and businesses can be inadvertently implicated within their own business operations and supply chains. If we identify any instances of modern slavery in our supply chains, our approach will be to work collaboratively with our suppliers and business partners, to remediate and resolve the issue. A failure to remediate or demonstrate sufficient improvement may lead to disengagement of the business relationship.

## 3. Our policies and risk controls

UCC Coffee UK Ltd operate a range of internal and external policies and control measures that help mitigate and prevent risks of slavery and human trafficking. We have increased our actions to ensure our employees, suppliers and business partners understand our commitment to the sustained eradication of human rights abuses and, through internal governance and review, we strive to continue learning and building rigour into our business policies and practices.

### Internal controls

As outlined in our 2018 statement, we take practical steps to ensure we do not knowingly facilitate modern slavery or human rights abuses. Internal Human Resources (HR) policies ensure that all employment and recruitment practices reflect the UN Universal Declaration of Human Rights and comply with national legislative requirements, along with our organisational values.

In addition to the steps outlined in our 2018 statement:

- Our HR practices already include right to work check points, including evidencing of documents and prohibiting retention of identification. Bank details are checked to ensure they are in the same name as the employee/proof of right to work document.
- Our People support system contains all policy and employee support information, including commitments to Modern Slavery within the UCC Employee Handbook. Employees can also access the Modern Slavery training support material, used alongside our Modern Slavery e-learning module.
- Our recruitment of permanent and agency labour is in line with the 'Employer Pays' principle. We work with a preferred supplier list of labour providers (online or agency) and all costs of recruitment are agreed in advance.

We also recognise that temporary, agency or migrant workforces can be vulnerable to modern slavery risks. In 2019, less than 2% of the UCC Coffee UK Ltd workforce was from agency or contract labour providers, and our HR teams regularly review composition as part of workforce profiling assessments.

### External controls

Green coffee is a key raw material to the delivery of our Total Coffee Solution, and we recognise that coffee growing countries, and the agriculture sector, can often have inherent social risks and vulnerabilities. Our European green coffee procurement centre, UCC Coffee Services Switzerland (UCCCSS), has additional controls, such as sourcing from certified standards, selecting suppliers with integrated supply chains for added traceability and upstream supply chain visibility, conducting field visits during annual origin visits and a supplier performance assessment process.

Our UK BRC accredited roastery operates strict procedures for supplier approval and supplier risk assessment. We expect our suppliers to support working conditions which are safe, legal and fair, in addition to required quality and food safety standards. Through this BRC approved process, Modern Slavery and Ethical Trading Policies are requested from suppliers.

As the distributor of leading professional coffee and beverage equipment brands, UCC Coffee UK Ltd has long standing and collaborative relationships with original equipment manufacturers (OEMs). These OEM's are mainly located in the UK, Switzerland, Italy and the USA and follow their own policies or country regulations to ensure the respect of human rights in all forms.

To strengthen external controls in our supply chains, our European Group Sustainability team is developing the UCC Europe Supplier Code of Conduct, for launch in 2020. Informed by international standards and guidance documents (such as UN Guiding Principles on Business and Human Rights and The Core Conventions of the International Labour Organisation), this policy will set out expectations of responsible and ethical business practices, which includes the prohibition of modern slavery and child employment under the legal minimum age.

#### **4. Our due diligence approach**

##### **In our organisation**

The Human Resources (HR) department is responsible for internal employment, labour and recruitment policies and controls related to modern slavery. Management teams are accountable for the day-to-day implementation and execution across the business, in addition to check points within the HR systems.

Regular site visits by HR teams to our business operations ensure these policies are effectively implemented and safeguarded, and specific governance committees meet regularly to review internal policy and strategy in action. In addition, our UK BRC accredited roastery is audited under the Sedex Members Ethical Trade Audit (SMETA) methodology, which uses principles the Ethical Trading Initiative (ETI) Base Code within its monitoring standards.

##### **In our supply chains**

In 2019, over 80% of the green coffee sourced for UCC Coffee UK Ltd came from certified standards (including Rainforest Alliance and Fairtrade). These certified standards include farm and supply chain criteria relating to the prevention of modern slavery and human trafficking and include regular audit and compliance requirements to all certificate holders in the value chain. Representatives from UCC Coffee UK Ltd and across our European Group also regularly meet and collaborate with certified organisations and our suppliers to understand risks in supply chains, industry standard developments and the positive impact of interventions.

As an internal supplier to UCC Coffee UK Ltd and to help meet our supplier risk assessment process, our green coffee procurement centre, UCC Coffee Services Switzerland (UCCCSS) is annually audited to the BRC Agents and Brokers Issue 2 Standard, which ensures global standards regarding product safety, quality and legality of imported goods.

Additional due diligence will take place in 2020 to support the launch of the UCC Europe Supplier Code of Conduct, and we expect outputs of this process to strengthen our understanding of risks in our key supply chains and help drive mitigation and continuous improvement measures.

#### **5. Raising awareness**

To improve understanding and awareness of modern slavery, an e-learning module was implemented in 2019 to selected employees, including all UCC Coffee UK Ltd Directors and Senior Managers with customer facing, departmental leadership, and supply chain and procurement roles. The purpose of the training module was to help increase understanding of modern slavery issues; help recognise related risks that might occur within wider society, business operations and supply chains; and inform them of the appropriate actions if such issues are discovered. Additional training needs will be monitored annually by our Human Resources department and repeated by all applicable roles on a three-year cycle.

We also organise regular 'Welcome Day' events for new employees, which help their understanding of key HR and employee policies, plus include interactive examples of our employee support and assistance programmes. Additionally, Supply Chain, Sustainability and Quality Assurance teams consistently review regulatory, industry and customer standards in relation to responsible and ethical practices, and employees in these teams are trained accordingly.

## 6. Measuring effectiveness

Our 2018 statement goals were to:

1. Maintain or increase the proportion of coffee sourced and sold from certified schemes, in association with customer needs - this was maintained at approximately 83% during 2019.
2. Ensure all relevant employees complete Modern Slavery training (via e-learning module) – 96 members of staff (including all Directors and Senior Managers) completed the learning module in 2019.
3. Publish the UCC Europe Supplier Code of Conduct – development of the Code of Conduct commenced during 2019, however, launch is planned in 2020.

Looking forward, we will continue to review our approach to managing and mitigating the risk of slavery and human trafficking in our business operations and supply chains.

Our 2020 goals include:

1. Maintain or increase the proportion of coffee sourced from certified schemes, in association with customer and own brand needs.
2. Facilitate the launch of the UCC Europe Supplier Code of Conduct to UCC Coffee UK Ltd priority suppliers and support the due diligence process.
3. Continue to raise employee awareness, through extending the Modern Slavery e-learning module to all UCC Coffee UK Ltd managers and develop a progressive capacity building strategy.

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Approved by UCC Coffee UK Ltd Executive Board on 02/11/2020  
and signed on their behalf by Elaine Swift, Managing Director

